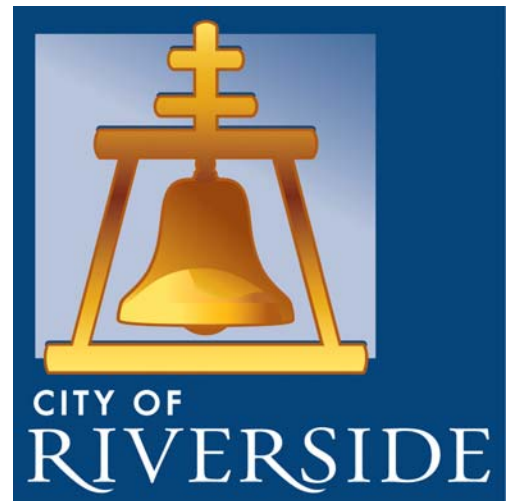


CITY MANAGER'S BUDGET MESSAGE



City Manager's Budget Message



Office of the City Manager - Administration

May 23, 2006

Honorable Mayor and City Council
City of Riverside
3900 Main St., Riverside, CA 92522

Honorable Mayor and Council Members:

I am pleased to submit, for your review and adoption, the City of Riverside's Fiscal Year 2006/07 Budget.

This Final Budget has been prepared consistent with the Council's direction following presentation of the Proposed Budget on May 2nd, as well as further refinements prepared over the past several weeks for your consideration. As reflected in the figures below, the recommended updates do not increase the overall General Fund budget.

The Budget remains fully balanced, with one-time resources allocated to support one-time expenditures. It sustains all services as highlighted in the May 2nd transmittal letter as well as my presentation to the Mayor & Council.

Per the Council's direction, staff is recommending additional funding within the City Manager's budget to support contract advocacy services in Sacramento.

The Final Budget also reflects the following revisions to address key service priorities as identified through ongoing analysis and review with various City Departments:

- A series of minor adjustments to the Clerk's Office (\$25,605), the City Council's Office (\$29,400), and the Mayor's Office (\$6,000) to reflect previously budgeted benefit costs which weren't appropriately captured by the automated budget preparation system.
- Adjustments of \$15,000 each to the Development Department and to the Parks, Recreation and Community Services Department to support youth programs.

3900 Main Street • Riverside, California 92522 • (951) 826-5199

City Manager's Budget Message

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- An increase of \$200,000 in Professional Services funding within the City Manager's Office to fund internship positions, restore the full-time Human Relations Coordinator position and support State advocacy contract services.
- Addition of four Customer Service Representative positions (at a cost of \$242,332 to be fully borne by the Utility Fund budget) to meet growing Call Center activity.
- Creation of an additional Deputy City Attorney position to address increasing Development and Redevelopment legal services. This position would be funded entirely via chargeback, and the corresponding professional services budgets will absorb the costs for such services.
- Addition of 13 new Safety positions to the City Fire Department (1 Battalion Chief, 3 Fire Captains, 3 Engineers, 3 Firefighter/Paramedics and 3 Firefighters). These positions will further enhance service to City residents, and improve safety conditions for our firefighters by expanding the Department's ability to cover shifts while reducing the need for existing staff to remain on duty beyond their normally scheduled 24-hour shifts. The recommended additional positions will also improve our Fire Department's capacity to provide 24/7 local coverage during times of heightened alert and deployment of firefighters to support regional/national emergencies (as recently experienced following deployment of Urban Search and Rescue teams in the aftermath of Hurricane Katrina). The annual cost of these new positions is estimated at \$1.5 million (based upon anticipated hiring/promotion timelines) and will be fully offset by a corresponding reduction to the Department's budget for overtime costs.

Staff is also recommending annual updates to the Salary and Fringe Benefit Resolution to reflect the coming year's spending plan as well as the culmination of analysis regarding various classifications, job descriptions and salary ranges to accurately reflect the work being performed by City staff. In addition to several classification and title changes, the Human Resources Department is also recommending the addition of four new job classifications: Arts and Culture Manager, Staff Assistant, Assistant Development Director and Police Officer Lateral/Trainee.

City Manager's Budget Message

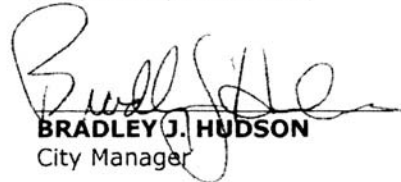
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Per the Council's clear direction, the City's FY 2006/07 budget is balanced and financial reserves remain strong. The budget plan lays the groundwork for a 2006/07 year-end fund balance currently projected to total more than \$46 million. As discussed above, the recommended Final Budget adjustments do not increase General Fund costs as they can either be supported via existing appropriation levels or absorbed as part of the City's managed savings program.

IT IS, THEREFORE, RECOMMENDED that the City Council adopt the FY 2006/07 Revised Annual Budget and:

- 1) Approve the budget adjustments noted above for a total FY 2006/07 budget of \$790,321,455;
- 2) Authorize the City Manager, or his designee, to execute the contracts with the non-profit agencies approved for funding in various departments of the approved budget;
- 3) Adopt a resolution approving the City of Riverside's Revised Budget for FY 2006/07 totaling \$790,321,455, of which \$204,376,606 million comprises the General Fund;
- 4) Authorize the additional personnel adjustments as set forth in this report;
- 5) Adopt the attached resolution amending the Salary and Fringe Benefit Resolution; and,
- 6) Direct that staff amend the personnel detail of the Annual Budget to reflect the proposed classification/compensation and staffing changes.

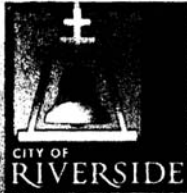
Respectfully Submitted,



BRADLEY J. HUDSON
City Manager

Attachments

City Manager's Budget Message



Office of the
City Manager

May 2, 2006

The Honorable Mayor and City Council
City of Riverside, California

I am pleased to submit, for your consideration, a balanced series of budget adjustments for the City of Riverside's 2006/07 fiscal year. This effort leads us into another year of remarkable progress in achieving the Council's dynamic public service goals. The proposed FY 2006/07 budget plan builds upon the City's accomplishments over the current year and sustains enhanced service levels in key areas such as public safety, transportation and economic development while investing aggressively in public infrastructure to meet the demands of our diverse and growing community.

As indicated above, the Council took bold steps several months ago to authorize funding in key areas:

- ♦ 25 Police Officers
- ♦ Construction of the Magnolia Police Station
- ♦ Mobile Cameras for Patrol Vehicles
- ♦ Project Bridge
- ♦ Eastside Neighborhood Coordinator
- ♦ Parks Security Contracts
- ♦ Tree Trimming/Parks Cleanup
- ♦ Code Enforcement Staff
- ♦ Street Projects
- ♦ City Facility Improvements
- ♦ Fire Equipment
- ♦ Harada House/Museum Repairs
- ♦ Orange Terrace Library
- ♦ Information Technology

City Manager's Budget Message

As proposed, the FY 2006/07 General Fund budget will finance approximately \$12 million in additional ongoing costs to sustain key service level enhancements. Of this total, approximately \$10 million provides FY 2006/07 funding for items approved by the City Council during FY 2005/06. The remaining \$2 million provides additional service enhancements (staffing and operational costs) primarily for the Public Works and Community Development Departments, as more completely described in the attachment. Revenue estimates have been adjusted consistent with forecasts prepared by economist John Husing.

The City's overall proposed budget for FY 2006/07 is \$790,079,123. Proposed General Fund expenditures and available revenues total \$204,376,606. The budget includes a 3% increase in compensation associated with labor negotiations now in process. In addition to the 3% increase in salary are similar increases in the City's contributions to related benefits, including the employees' retirement plan (PERS).

As a result of the issuance of Pension Obligation Bonds in June 2005, the 2006/07 previously approved budget has been decreased by about \$1.5 million, with an approximately \$1 million benefit to the General Fund. Workers' Compensation costs are also lower than previously projected. As a result of these items, several departments' budgets are lower than those previously approved by the City Council.

On April 12th, the City Manager's preliminary budget letter (to accompany initial budget documents available for public review) projected a potential need to apply approximately \$3.6 million in reserves as part of the overall spending plan. As anticipated, budget staff continued to refine departmental spending proposals and revenue estimates. As a result of this ongoing deliberative process, the Proposed Budget presented for the Council's consideration balances ongoing expenditures with ongoing revenues while protecting budget reserves.

The \$3.6 million refinement represents, in part, a required transfer from the Electric Utility to reflect revenue earned by turning over operational control of transmission facilities to the California Independent System Operator (ISO). Management also recommends applying resources currently in the City's Central Services Fund to finance one-time General Fund capital improvement projects, thereby freeing ongoing resources to support ongoing programs. Lastly, funding originally budgeted to support General Fund costs for technology purchases was reduced because equipment will be purchased in the current fiscal year.

City Manager's Budget Message

Budget Overview – All Funds and the General Fund

	<u>Original 2006/07 Budget</u>	<u>Adjustments</u>	<u>Revised 2006/07 Budget</u>
<u>Total City Budget</u>	\$749,091,552	\$40,987,571	\$790,079,123
<u>General Fund Budget</u>	\$192,631,673	\$11,744,933	\$204,376,606

The attached document provides additional summary information regarding proposed adjustments to individual Department budgets that are reflected in the totals above.

Budget Strategy

The revised budget and the funding adjustments clearly reflect a more aggressive response to achieving the Mayor and City Council's goals of:

- Economic Development
- Growth and Annexation
- Transportation
- Livable Communities and Neighborhoods

As outlined in the attached document, personnel have been added to the following departments to accomplish these goals: Police, Fire, Development, Community Development and Parks, Recreation and Community Services. Under the Council's leadership, the City has made significant progress in these areas.

Per the Council's clear direction, the City's FY 2006/07 budget is balanced and financial reserves remain strong. The budget plan lays the groundwork for a 2006/07 year-end fund balance currently projected to be more than \$46 million.

We look forward to the Mayor and Council's continued insight and direction as staff finalizes next year's budget to convey your vision for City services and prudently manage public resources for maximum benefit to the residents of our City.

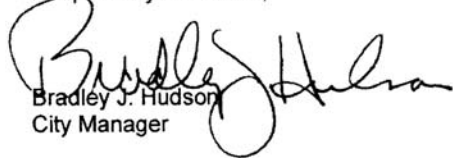
City Manager's Budget Message

RECOMMENDATIONS:

That the City Council:

- 1- Conduct a Public Hearing to receive citizen comments on the proposed budget adjustments;
- 2- Provide direction to staff regarding any modifications to be made prior to adoption of the 2006/07 Final Budget; and,
- 3- Direct that budget adoption be scheduled for the City Council's May 23, 2006 City Council meeting.

Respectfully submitted,


Bradley J. Hudson
City Manager

City Manager's Budget Message

ATTACHMENT

The following summarizes changes, by Department, to the FY 2006/07 budget, originally approved by the City Council in June 2005.

<u>Mayor's Office</u>	<u>Original 2006/07 Budget</u>	<u>Adjustments</u>	<u>Revised 2006/07 Budget</u>
General Fund	\$460,468	\$13,349	\$473,817

The Mayor's budget increased \$13,349, which includes the cost of changing the International Relations Officer from a half-time to a full-time position. The increased cost for the Officer of approximately \$40,000 is offset by reductions noted above, i.e., pension and workers' compensation costs.

<u>City Council Office</u>	<u>Original 2006/07 Budget</u>	<u>Adjustments</u>	<u>Revised 2006/07 Budget</u>
General Fund	\$134,132	(\$66,513)	\$67,619

The City Council budget decreased \$66,513, primarily due to reduced pension costs.

<u>City Clerk</u>	<u>Original 2006/07 Budget</u>	<u>Adjustments</u>	<u>Revised 2006/07 Budget</u>
General Fund	\$152,071	(\$12,996)	\$139,075

The City Clerk's budget decreased \$12,996.

City Manager's Budget Message

<u>City Manager</u>	<u>Original 2006/07 Budget</u>	<u>Adjustments</u>	<u>Revised 2006/07 Budget</u>
General Fund	\$21,512,595	(\$330,223)	\$21,182,372
Central Services Fund	7,725,155	(192,602)	7,532,553
Workers' Compensation	7,407,433	(9,995)	7,397,438
Liability Insurance Trust	5,323,218	9,041	5,332,259
Central Stores Fund	1,144,362	(18,661)	1,125,701
Debt Svc-Hunter Park	-	1,050,000	1,050,000
Debt Svc-Sycamore Cyn	111,492	1,000,000	1,111,492

The City Manager's budget decreased \$330,223 in General Fund accounts. This is due to certain functions being transferred to other departments. Most significantly, the City's Sponsorship Program has moved to the Development/Housing and Neighborhoods division. Further, Riverside Youth Council funding is now reflected in the Parks, Recreation and Community Services (PR & CS) budget, the Call Center has become a Public Utilities responsibility and the Weekend Prisoner Program has become a shared responsibility between Public Works and PR & CS. These reductions are offset by an increase in Finance-Debt Service costs associated with the first budgeting of the principal and interest payments for the Pension Obligation Bonds issued in June 2005 (noted above).

The City Manager's budget decreased \$192,602 in Central Service Fund accounts. This is primarily due to the transfer of the Publishing Services division to the General Services Department. This reduction is partially offset by the transfer of the Budget Office and the Safety division into the City Manager – Finance division. The transfer of the Budget Office resulted in the elimination of 1 Senior Office Specialist and three analysts are now in the City Manager's Office. The City Manager-Finance/Accounting division has reclassified 1 Senior Accounting Technician to an Accountant I position.

Adjustments to Sycamore Canyon and Hunter Park debt service are associated with new bond issues. These costs are entirely offset by a corresponding increase in special taxes borne by the property owners of the respective districts.

<u>City Attorney</u>	<u>Original 2006/07 Budget</u>	<u>Adjustments</u>	<u>Revised 2006/07 Budget</u>
General Fund	-	(\$156,081)	(\$156,081)

The City Attorney's budget decreased \$156,081. Because it is a fully allocated department, these cost reductions associated with pension and workers' compensation expenses will reduce allocated charges to other departments.

The City Attorney's budget includes 1 additional half-time, non-benefited intern at the Law Clerk position. Further, a series of personnel adjustments to various

City Manager's Budget Message

classifications within the department have been made. The City Attorney has eliminated 1 Legal Support Specialist, added 1 Legal Assistant and added 1 Deputy City Attorney. The net cost of the actions requested is approximately \$120,000; however, these are more than offset by the reductions noted above.

<u>General Services</u>	<u>Original 2006/07 Budget</u>	<u>Adjustments</u>	<u>Revised 2006/07 Budget</u>
General Fund	\$2,596,715	(\$299,390)	\$2,297,325
Central Services Fund	8,408,685	1,459,908	9,868,593
Central Garage Fund	7,913,050	(15,527)	7,897,523

The General Services Department budget for the Central Service Fund accounts increased \$1,459,908, primarily due to the transfer of the Publishing Services division from the City Manager-Finance division. In addition, 1 Senior Administrative Assistant has been added in the Administrative division to support the General Services Director and 2 Intern positions have been added to the Administrative Division. Increased funding of \$200,000 was added to address a backlog of work associated with buildings and fleet maintenance, as well as to create a funding source to allow timely responses for emerging facility repairs over the course of the coming fiscal year.

<u>Community Development</u>	<u>Original 2006/07 Budget</u>	<u>Adjustments</u>	<u>Revised 2006/07 Budget</u>
General Fund	\$12,540,559	\$1,706,617	\$14,247,176

The Community Development Department's budget increased \$1,706,617. This is primarily due to the cost of staff authorized during the 2005/06 mid-year update. Additional personnel changes are:

- 1 Senior Office Specialist has been added to Administration
- 1 Associate Planner has been added for project management
- 1 Assistant Building Official has been added to Building and Safety
- 1.93 part-time Code Enforcement Technicians have been changed to 2 full-time/benefited Code Enforcement Technicians

Significant non-personnel costs, which account for a portion of the increase are \$50,000 for extended imaging of old files, an increase of \$40,000 for LAFCO annexation fees and \$75,000 for contract professional services.

City Manager's Budget Message

<u>Development</u>	<u>Original 2006/07 Budget</u>	<u>Adjustments</u>	<u>Revised 2006/07 Budget</u>
General Fund	\$2,085,705	\$2,029,646	\$4,115,351
Central Services Fund	909,885	108,801	1,018,686
CDBG Fund	3,838,586	(48,600)	3,789,986

The Development Department's General Fund accounts increased \$2,029,646 and Central Services Fund accounts increased \$108,801. The significant increase in the General Fund accounts is the result of the transfer of the City's Sponsorship Program from the City Manager's Office to the Development/Neighborhoods division. Additionally, a number of personnel related changes have been made, as outlined below; however savings in items noted above offset much of the cost associated with these changes:

- 1 Senior Graphics Technician has been transferred from the City Manager's Office
- 1 Administrative Intern position has been added to the Housing and Neighborhoods division
- 1 Arts and Culture Manager (title to be determined) has been added for a new Arts and Culture division
- 1 Real Property Agent position has been added to the Property Services division
- 1 Assistant Development Director position has been added to the Administration division
- 1 Senior Project Manager has been eliminated from the Redevelopment division and replaced with 1 Project Manager position
- 1 Senior Office Specialist transferred from the Park, Recreation and Community Services Department to the Housing and Neighborhoods division

The CDBG Fund's budget reflects no material adjustments and results in a reduction of \$48,600 due to reduced pension and workers' compensation costs. The Development Department's remaining funds reflect no changes from the amounts previously adopted.

City Manager's Budget Message

<u>Police</u>	<u>2006/07 Budget</u>	<u>Adjustments</u>	<u>2006/07 Budget</u>
General Fund	\$79,233,702	\$3,735,345	\$82,969,047

The Police Department budget increased \$3,735,345 primarily due to staffing increases approved by the City Council in October 2005. 1 Administrative Analyst position approved during 2005/06 was deleted and replaced with 2 Senior Office Specialists to provide cost effective support for enhanced field operations.

<u>Fire</u>	<u>Original 2006/07 Budget</u>	<u>Adjustments</u>	<u>Revised 2006/07 Budget</u>
General Fund	\$38,443,787	\$1,302,993	\$39,746,780

The Fire Department budget increased \$1,302,993 primarily due to the effect of the 3% at 50 PERS benefit and new staffing/operational costs associated with the opening of Box Springs and Sycamore Canyon stations. Several personnel adjustments have been made as follows:

- 1 Plan Check Engineer has been added to Prevention (approved in 2005/06)
- 1 Fire Captain position has been added to Public Safety Dispatch
- Station #13 – has added 3 Firefighters
- Station #14 – has added 3 Firefighters, 3 Firefighter/Paramedics, 3 Fire Engineers and 3 Fire Captains

<u>Public Works</u>	<u>Original 2006/07 Budget</u>	<u>Adjustments</u>	<u>Revised 2006/07 Budget</u>
General Fund	\$13,930,452	\$3,880,188	\$17,810,640
Refuse	17,567,792	359,752	17,927,544
Sewer/Sewer Projects	71,482,898	488,374	71,971,272
Public Parking	4,168,245	76,073	4,244,318

The Public Works Department budget increased \$3,880,188 in its General Fund accounts, primarily due to the transfer of landscape maintenance work from the Parks, Recreation and Community Services Department, approved by the City Council in December 2005, including the transfer of 3 Landscape Maintenance Inspectors into the Public Works/Streets division.

Other significant increases to the General Fund accounts are:

City Manager's Budget Message

- 1 Administrative Services Manager added to the Administration division
- The County Animal Control Contract approved by City Council included an additional Animal Control Officer and other service enhancements
- 1 Senior Office Specialist deleted from the Streets Administration division
- The Streets Maintenance division has added 1 Street Maintenance Worker, 1 Street Maintenance Specialist and 1 Heavy Equipment Operator (approved October 2005); 4 General Services Workers (approved February 2006), 1 Street Maintenance Crew Leader, 1 Heavy Equipment Operator, 1 Street Maintenance Specialist and 1 Street Maintenance Worker
- The Streets Maintenance division has upgraded 1 Street Maintenance Worker to a Street Maintenance Crew Leader
- The Engineering division added 1 Associate Engineer, 1 Senior Engineer, 1 Senior Construction Inspector and 1 Project Manager (approved February 2006); it has added 1 Senior Engineer, 1 Plan Check Engineer, 1 Construction Inspector II
- The Engineering division has added 1 Land Records Technician I
- The Traffic Engineering division added 1 Traffic Signal Technician I and associated vehicle

The Refuse Fund's budget increased \$359,752, which includes the addition of .8 FTE's for a Weekend Crew Supervisor, approved by the City Council in February 2006, and an increase in the green waste disposal contract of \$462,000, required by increased volume. Additionally, 1 Field Maintenance Worker I is being reclassified to a Waste Water Maintenance Mechanic.

The Sewer Fund's budget increased \$488,374. The increase consists of several minor adjustments to various operational accounts.

The Public Parking Fund's budget increased \$76,073. The increase is primarily due to the addition of 1 Parking Control Representative and the purchase of a vehicle for that individual's use to enhance parking enforcement outside the downtown area.

City Manager's Budget Message

<u>Parks, Recreation and Community Services</u>	<u>Original 2006/07 Budget</u>	<u>Adjustments</u>	<u>Revised 2006/07 Budget</u>
General Fund	\$20,572,961	\$773,291	\$21,346,252
Special Transit	2,597,588	(54,357)	2,543,231

The Parks, Recreation and Community Services (PR & CS) budget increased \$773,291 in its General Fund accounts. This is due to the following: 1) transfer of the Project Bridge program from the Police Department; 2) an increase in the Neighborhood Parks Landscape Maintenance program contract of \$360,715 based on the recent bid process; 3) the previously City Council approved increase in tree trimming funds to increase the trim frequency; and, 4) \$630,000 toward construction costs for the Eastside Youth Opportunities Center. Offsetting these increases is the transfer of the community and regional park landscape maintenance function to Public Works. With this transfer of responsibility, 3 Landscape Maintenance Inspectors were moved to the Public Works budget with the corresponding operating accounts.

Additional personnel changes to the PR & CS accounts are as follows:

- Funding for 5 Project Bridge positions, 1 Recreation Supervisor/Eastside Neighborhood Coordinator and 1 Administrative Analyst, approved by the City Council in FY 2005/06
- 1 Recreation Superintendent has been added to the Recreation division
- 1 Recreation Supervisor has been transferred from the Office of Neighborhoods
- 3.35 Recreation Aide FTE's have been added in the Recreation division
- 1.46 Recreation Leader FTE's have been added in the Recreation division
- The Parks division budget reclassified 1 General Services Worker – RESET to an Office Specialist
- 1 Senior Office Specialist has been transferred to the Development Department

The PR & CS/Special Transit Fund budget has decreased \$54,357 based on items noted above.

City Manager's Budget Message

<u>Museum</u>	<u>2006/07 Budget</u>	<u>Adjustments</u>	<u>2006/07 Budget</u>
General Fund	\$1,860,341	\$175,924	\$2,036,265

The Museum Department's budget increased \$175,924. This will support staff transition funding and support expanded Museum programming over the coming year. Program enhancements will stress the relevance of the Museum to Riverside residents and sow the seeds for revenue generating programs designed to assist with the Museum toward a self-supporting position. Lastly, a Clerical Assistant and a General Services Worker, each budgeted at a .5 FTE's, are being changed to .75 FTE's each.

<u>Human Resource</u>	<u>Original 2006/07 Budget</u>	<u>Adjustments</u>	<u>Revised 2006/07 Budget</u>
Central Services Fund	\$4,548,389	(\$219,346)	\$4,329,043

The Human Resources budget decreased \$219,346. The salary/benefits and operating costs related to a new position authorized by City Council in February 2006 (Principal Human Resources Analyst) are offset by the transfer of responsibility for the Safety division and the Workers' Compensation division to the City Manager-Finance division. A software upgrade and the addition of the Employee Assistance Program (EAP) contract to the Benefits division are other significant items.

<u>Information Technology</u>	<u>Original 2006/07 Budget</u>	<u>Adjustments</u>	<u>Revised 2006/07 Budget</u>
Central Services Fund	\$11,737,397	\$1,430,610	\$13,168,007

The Information Technology (IT) budget increased \$1,430,610. This is due to the following reasons:

- IT related purchases already programmed into various departmental budgets have been removed from those budgets and centralized into the 2006/07 IT budget
- A \$580,000 increase for the Microsoft Enterprise Agreement
- An increase of \$796,000 for improved funding of the annual replacement cost of the City's IT infrastructure

City Manager's Budget Message

<u>Library</u>	<u>2006/07 Budget</u>	<u>Adjustments</u>	<u>2006/07 Budget</u>
Library Services Fund	\$9,424,833	\$506,876	\$9,931,709

The Library Department budget increased \$506,876 to support a series of staffing and programmatic enhancements being developed by the newly-appointed Library Director. Staffing changes include:

- 1 Business Librarian has been added to address the need for reference support and to provide a resource for local government and businesses
- 1 part-time General Services Worker has been added to address janitorial needs at the facilities
- 2 Library Associates have been added to manage the Storymobile and cultural programs

Annually, the General Fund transfers the required funding to balance the Library budget for the portion, which property taxes and fees do not cover. Due to strong property tax growth, a reduction in the anticipated General Fund transfer was achieved.

<u>Public Utilities</u>	<u>Original 2006/07 Budget</u>	<u>Adjustments</u>	<u>Revised 2006/07 Budget</u>
Electric-inc. Pub Benefits	\$276,296,070	\$15,816,194	\$292,112,264
Water-inc. Conservation	51,987,040	4,542,710	56,529,750

The Public Utilities – Electric budget increased \$15,816,194 and the Public Utilities – Water budget increased \$4,542,710.

The increases to the Electric Fund's budget include an additional \$3 million for the cost of purchased power, an \$8.3 million increase to the capital projects' budget per the CIP plan for the Utility and a \$2.25 million catch up of the General Fund Transfer for revenues associated with revenue earned by the Utility in turning over operational control of its transmission facilities to the California Independent System Operator. Costs associated with the following staff adjustments account for other increases:

- 1 Construction Inspector II from Customer Engineering and 2 General Service Workers from Field Services were transferred to the Management Services division and reclassified as Utilities Senior Analysts
- 1 Business Support Analyst was added to the Utility Billing division
- 1 Customer Services Representative II was added to the Customer Service division

City Manager's Budget Message

- All non-benefited positions in the Customer Service division have had benefits added in an effort to reduce the high level of turnover in the operation
- 2 Construction Inspector I positions were reclassified as Electric Supervisors
- 1 Senior Electric Engineer and 1 Utility Analyst were added to the Electric Field division
- 1 Construction Inspector II was transferred and reclassified as a Utilities Analyst in the Power Resources division
- 1 Principal Engineer and 1 Utilities Power Trader/Scheduler were added to the Power Resources division
- 1 Principal Engineer, 1 Engineering Technician (being reclassified to a Senior Engineering Technician) and 2 Senior Engineers were transferred from the Water Fund to the Power Resources division of the Electric Fund as part of an operational reorganization
- .25 FTE of a General Services Worker was eliminated as part of the reorganization plan
- 1 General Services Worker was reclassified to a Field Services Technician

The Water Fund's budget increased primarily due to a \$4.0 million increase to the capital projects' budget and the staffing augmentations required to implement the SAFE Water Program offset by the City Council adopted rate increase. Staff adjustments include the following:

- 2 Water System Operators were added to the Water Operations division
- 1 Senior Engineer, 1 Maintenance Mechanic and 1 Maintenance Electrician were added to the Water Operations division associated with the SAFE Water Program
- 4 Water Engineering positions were transferred into the Electric Fund from the Water Field division per an operational reorganization
- 3 Associate Engineers were added to the Water Field division
- 1 Water Supervisor, 2 Water Works Pipefitters, 1 Utility Equipment Operator and 1 Water Field Helper were added to the Water Field division associated with the SAFE Water Program

City Manager's Budget Message

<u>Airport</u>	<u>Original 2006/07 Budget</u>	<u>Adjustments</u>	<u>Revised 2006/07 Budget</u>
Airport Fund	\$1,079,793	\$63,273	\$1,143,066

The Airport Department budget increased \$63,273. This is attributable to the addition of 1 Airport/Landscape Maintenance Worker and minor increases to the janitorial contract and various utility accounts.

FUNDS WITH NO CHANGES / TRANSFERS / MANAGED SAVINGS

<u>DEPARTMENT</u>	<u>Original 2006/07 Budget</u>	<u>Adjustments</u>	<u>Revised 2006/07 Budget</u>
Other Funds – No Changes	\$62,730,025	-	\$62,730,025
General Fund Transfer Out - Library	4,108,185	(\$507,217)	3,600,968
Central Svcs Transfer Out	-	2,890,114	2,890,114
Genl Fund Managed Savings	5,500,000	-	5,500,000

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